

LEGISLATIVE BILL 775

Approved by the Governor April 21, 2023

Introduced by Lowe, 37; Brewer, 43; Hardin, 48; Holdcroft, 36; Hughes, 24;
Cavanaugh, J., 9; Blood, 3.

A BILL FOR AN ACT relating to gambling; to amend sections 2-1205, 9-204, 9-204.04, 9-601, 9-603, 9-606, 9-607, 9-646.01, 9-651, 9-1103, 9-1106, 9-1110, 81-3717, and 81-3720, Reissue Revised Statutes of Nebraska; to change provisions relating to horseracing, the Nebraska Bingo Act, the Nebraska County and City Lottery Act, the Nebraska Racetrack Gaming Act, and the Nebraska Visitors Development Act; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 2-1205, Reissue Revised Statutes of Nebraska, is amended to read:

2-1205 (1) If the commission is satisfied that its rules and regulations and all provisions of sections 2-1201 to 2-1218 have been and will be complied with, it may issue a license for a period of not more than five years. The license shall set forth the name of the licensee, the place where the races or race meetings are to be held, and the time and number of days during which racing may be conducted by such licensee. Any such license issued shall not be transferable or assignable. The commission shall have the power to revoke any license issued at any time for good cause upon reasonable notice and hearing. No license shall be granted to any corporation or association except upon the express condition that it shall not, by any lease, contract, understanding, or arrangement of whatever kind or nature, grant, assign, or turn over to any person, corporation, or association the operation or management of any racing or race meeting licensed under such sections or of the parimutuel system of wagering described in section 2-1207 or in any manner permit any person, corporation, or association other than the licensee to have any share, percentage, or proportion of the money received for admissions to the racing or race meeting or from the operation of the parimutuel system; and any violation of such conditions shall authorize and require the commission immediately to revoke such license. No licensee shall be considered in violation of this section with respect to an agreement with an authorized gaming operator regarding employees and the acceptance of any parimutuel wager or sports wager pursuant to section 9-1110.

(2)(a) Any racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 which is in existence and operational as of April 20, 2022, shall:

(i) Hold a minimum of five live racing meet days and fifty live horseraces annually beginning January 1, 2026, through December 31, 2030; and

(ii) Beginning January 1, 2031, hold a minimum of fifteen live racing meet days and one hundred twenty live horseraces annually.

(b) Any racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 which is not in existence and operational until after April 20, 2022, shall:

(i) Hold a minimum of one live racing meet day annually for the first three years of operation;

(ii) Hold a minimum of five live racing meet days and fifty live horseraces annually for the fourth year of operation through the seventh year of operation; and

(iii) Beginning with the eighth year of operation, hold a minimum of fifteen live racing meet days and one hundred twenty live horseraces annually.

(c) A racetrack that fails to meet the minimum requirements under this subsection is subject to discipline by the commission, including revocation of the license issued under sections 2-1201 to 2-1218.

(3) A racetrack for which a licensee is issued a license to conduct a race or race meeting under sections 2-1201 to 2-1218 in existence on November 1, 2020, which is located in the counties of Adams, Dakota, Douglas, Hall, Lancaster, and Platte, may move such racetrack location to another county in Nebraska that does not have a racetrack one time only, subject to approval by the commission as provided in subdivision (27) of section 9-1106, subsequent to the initial issuance of the market analysis and socioeconomic-impact studies conducted pursuant to section 9-1106.

Sec. 2. Section 9-204, Reissue Revised Statutes of Nebraska, is amended to read:

9-204 (1) Bingo shall mean that form of gambling in which:

(a) The winning numbers are determined by random selection from a pool of seventy-five or ninety numbered designators; and

(b) A player marks ~~Players mark~~ by physically daubing or covering or, automatically or manually with the aid of a bingo card monitoring device, enters or otherwise conceals ~~concealing~~ those randomly selected numbers which match on a bingo card that the player has cards which they have purchased or leased only at the time and place of the bingo occasion.

(2) Bingo shall not mean or include:

(a) Any scheme which uses any mechanical gaming device, computer gaming device, electronic gaming device, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value;

(b) Any activity which is authorized or regulated under the Nebraska County and City Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12; or

(c) Any activity which is prohibited under Chapter 28, article 11.

Sec. 3. Section 9-204.04, Reissue Revised Statutes of Nebraska, is amended to read:

9-204.04 Bingo card monitoring device shall mean a technological aid which allows a bingo player to automatically or manually enter bingo numbers as they are announced at a bingo occasion and which enters marks or otherwise conceals those numbers on bingo cards which are electronically stored in and displayed on the device. A bingo card monitoring device shall not mean or include any device (1) into which currency, coins, or tokens may be inserted or from which currency, coins, tokens, or any receipt for monetary value can be dispensed or (2) which, once provided to a bingo player, is capable of communicating with any other bingo card monitoring device or any other form of electronic device or computer, except that such device may communicate with its host system.

Sec. 4. Section 9-601, Reissue Revised Statutes of Nebraska, is amended to read:

9-601 Sections 9-601 to 9-653 and sections 6 and 11 of this act shall be known and may be cited as the Nebraska County and City Lottery Act.

Sec. 5. Section 9-603, Reissue Revised Statutes of Nebraska, is amended to read:

9-603 For purposes of the Nebraska County and City Lottery Act, the definitions found in sections 9-603.02 to 9-618 and section 6 of this act shall be used.

Sec. 6. Digital-on-premises ticket means a digital ticket purchased in person on a mobile or other electronic device verified to be present at the location of the lottery operator or an authorized sales outlet location in accordance with subdivision (3)(b) of section 11 of this act.

Sec. 7. Section 9-606, Reissue Revised Statutes of Nebraska, is amended to read:

9-606 Gross proceeds shall mean the total aggregate receipts received from the conduct of any lottery conducted by any county, city, or village without any reduction for prizes, discounts, taxes, or expenses and shall include receipts from admission costs, any consideration necessary for participation, and the value of any free tickets, games, or plays used, except that gross proceeds shall not include any admission costs collected at any location where the lottery is also available to the public free of any admission charge.

Sec. 8. Section 9-607, Reissue Revised Statutes of Nebraska, is amended to read:

9-607 (1) Lottery shall mean a gambling scheme in which:

(a) The players pay or agree to pay something of value for an opportunity to win;

(b) Winning opportunities are represented by tickets;

(c) Winners are solely determined by one of the following two methods:

(i) By a random drawing of tickets differentiated by sequential enumeration from a receptacle by hand whereby each ticket has an equal chance of being chosen in the drawing; or

(ii) By use of a game known as keno in which a player selects up to twenty numbers from a total of eighty numbers on a ~~paper~~ ticket and a computer, other electronic selection device, or electrically operated blower machine which is not player-activated randomly selects up to twenty numbers from the same pool of eighty numbers and the winning players are determined by the correct matching of the numbers on the ~~paper~~ ticket selected by the players with the numbers randomly selected by the computer, other electronic selection device, or electrically operated blower machine, except that (A) no keno game shall permit or require player activation of lottery equipment and (B) the random selection of numbers by the computer, other electronic selection device, or electrically operated blower machine shall not occur within five minutes of the completion of the previous selection of random numbers; ~~and~~

(d) The holders of the winning ~~paper~~ tickets are to receive cash or prizes redeemable for cash. Selection of a winner or winners shall be predicated solely on chance; ~~and -~~

(e) Tickets are issued either (i) on paper or (ii) with the consent of the governing body of the county, city, or village conducting the lottery, digitally to a mobile or other device which, at the time of purchase, is verified to be present at the location of the lottery operator or an authorized sales outlet location as provided in subdivision (3)(b) of section 11 of this act.

(2) Lottery shall not include:

(a) Any gambling scheme which uses any mechanical gaming device, computer gaming device, electronic gaming device, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value;

(b) Any activity authorized or regulated under the Nebraska Bingo Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle Card Lottery Act, the Nebraska Small Lottery and Raffle Act, the State Lottery Act, section 9-701, or Chapter 2, article 12; or

(c) Any activity prohibited under Chapter 28, article 11.

(3) Notwithstanding the requirement in subdivision (1)(c)(ii) of this section that a player select up to twenty numbers, a player may select more than twenty numbers on a paper ticket when a top or bottom, left or right, edge, or way ticket is played. For a top or bottom ticket, the player shall select all numbers from one through forty or all numbers from forty-one through eighty. For a left or right ticket, the player shall select all numbers ending in one through five or all numbers ending in six through zero. For an edge ticket, the player shall select all of the numbers comprising the outside edge of the ticket. For a way ticket, the player shall select a combination of groups of numbers in multiple ways on a single ticket.

(4) A county, city, or village conducting a keno lottery shall designate the method of winning number selection to be used in the lottery and submit such designation in writing to the department prior to conducting a keno lottery. Only those methods of winning number selection described in subdivision (1)(c)(ii) of this section shall be permitted, and the method of winning number selection initially utilized may only be changed once during that business day as set forth in the designation. A county, city, or village shall not change the method or methods of winning number selection filed with the department or allow it to be changed once such initial designation has been made unless (a) otherwise authorized in writing by the department based upon a written request from the county, city, or village or (b) an emergency arises in which case a ball draw method of number selection would be switched to a number selection by a random number generator. An emergency situation shall be reported by the county, city, or village to the department within twenty-four hours of its occurrence.

Sec. 9. Section 9-646.01, Reissue Revised Statutes of Nebraska, is amended to read:

9-646.01 (1)(a) No person or licensee, or any employee or agent thereof, accepting wagers on a lottery conducted pursuant to the Nebraska County and City Lottery Act shall extend credit from the gross proceeds of a lottery to participants in the lottery for the purchase of lottery tickets. No person shall purchase or be allowed to purchase any lottery ticket or make or be allowed to make any wager pursuant to the act unless he or she pays for such ticket or wager with cash, a debit card, the cash balance of a payment application, a transfer from a deposit account at a financial institution, or an account established in the name of the player with the lottery operator and funded as provided in subsection (2) of this section. For purposes of this section, cash shall mean United States currency having the same face value as the price of the ticket or wager. A credit card shall not be accepted for payment for any wager on keno.

(b) A participant shall not use a debit card to purchase more than two hundred dollars of keno wagers from a lottery operator in a single calendar day.

(2) A lottery operator may allow participants to create an account to be used for lottery play. Such accounts may only be funded with cash, a debit card, the cash balance of a payment application, or a transfer from a deposit account at a financial institution. The lottery operator may also allow a participant to deposit prize money won from the lottery and refunds from the lottery into a lottery play account. A participant shall not deposit funds into any such account from a debit card transaction if the total amount of funds from all such debit card transactions in that calendar day would exceed two hundred dollars.

Sec. 10. Section 9-651, Reissue Revised Statutes of Nebraska, is amended to read:

9-651 Each county, city, or village conducting a lottery shall have its name clearly associated with ~~printed on~~ each ticket used in the lottery. No such ticket shall be sold unless such the name is clearly identified printed thereon.

Sec. 11. (1) Any purchase of a ticket for a keno game shall be made in person at the location of the lottery operator or an authorized sales outlet location.

(2) The lottery operator shall file with the department the address of each location where digital-on-premises tickets are sold. The lottery operator shall use reasonable safeguards approved by the department to ensure that digital-on-premises tickets are only accessible to individuals nineteen years of age or older.

(3) The lottery operator shall submit controls, for approval by the department, that include the following at the location of the lottery operator or the locations of its associated authorized sales outlets at which digital-on-premises tickets are sold:

(a) Any specific procedure and any technology partner used to fulfill the requirements set forth by the department;

(b) Any location detection procedure to reasonably detect and dynamically monitor the location of a player attempting to purchase a digital-on-premises ticket for a keno game. The location procedures shall be designed so that a player outside the permitted boundary is rejected and the player is notified. The permitted boundary shall be established in such a manner that access is not regularly available away from the property on which the licensed premises is situated and such boundary is as closely matching to the actual or legal boundaries of the licensed premises as reasonably possible;

(c) Any other specific controls as designated by the department;

(d) A process to prominently display and easily impose any limitation

parameters relating to the purchase of a digital-on-premises ticket for a keno game; and

(e) An easy and obvious method for a player to make a complaint and to enable the player to notify the department if such complaint has not been or cannot be addressed by the lottery operator.

(4) The department shall approve or deny the controls within thirty days after submission. If denied, the department shall provide the reasons for denial and allow the lottery operator to resubmit revised controls.

(5) The department may adopt and promulgate rules and regulations relating to digital-on-premises tickets. Such rules and regulations shall be adopted and promulgated no later than January 1, 2024.

Sec. 12. Section 9-1103, Reissue Revised Statutes of Nebraska, is amended to read:

9-1103 For purposes of the Nebraska Racetrack Gaming Act:

(1) Authorized gaming operator means a person or entity licensed pursuant to the act to operate games of chance within a licensed racetrack enclosure;

(2) Authorized gaming operator license means a license to operate games of chance as an authorized gaming operator at a licensed racetrack enclosure;

(3)(a) Except as otherwise provided in subdivision (b) of this subdivision, authorized sporting event means a professional sporting event, a collegiate sporting event, an international sporting event, a professional motor race event, a professional sports draft, an individual sports award, an electronic sport, or a simulated game; and

(b) Authorized sporting event does not include an in-state collegiate sporting event in which an in-state collegiate or university team is a participant, a parimutuel wager, a fantasy sports contest, a minor league sporting event, a sporting event at the high school level or below regardless of the age of any individual participant, or any sporting event excluded by the commission;

(4) Collegiate sporting event means an athletic event or competition of an intercollegiate sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association for the promotion or regulation of collegiate athletics;

(5) Commission means the State Racing and Gaming Commission;

(6) Designated sports wagering area means an area, as approved by the commission, in which sports wagering is conducted;

(7) Game of chance means any game which has the elements of chance, prize, and consideration, including any wager on a slot machine, table game, counter game, or card game, a keno lottery conducted in accordance with the Nebraska County and City Lottery Act, or sports wagering. Game of chance does not include any game the operation of which is prohibited at a casino by federal law;

(8) Gaming device means an electronic, mechanical, or other device which plays a game of chance when activated by a player using currency, a token, or other item of value;

(9) International sporting event means an international team or individual sporting event governed by an international sports federation or sports governing body, including sporting events governed by the International Olympic Committee and the International Federation of Association Football;

(10) Licensed racetrack enclosure means all real property licensed and utilized for the conduct of a race meeting, including the racetrack and any grandstand, concession stand, office, barn, barn area, employee housing facility, parking lot, and additional area designated by the commission premises at which licensed live horseracing is conducted in accordance with the Constitution of Nebraska and applicable Nebraska law;

(11) Limited gaming device means an electronic gaming device which (a) offers games of chance, (b) does not dispense currency, tokens, or other items of value, and (c) does not have a cash winnings hopper, mechanical or simulated spinning reel, or side handle;

(12) Prohibited participant means any individual whose participation may undermine the integrity of the wagering or the sporting event or any person who is prohibited from sports wagering for other good cause shown as determined by the commission, including, but not limited to: (a) Any individual placing a wager as an agent or proxy; (b) any person who is an athlete, a coach, a referee, or a player in any sporting event overseen by the sports governing body of such person based on publicly available information; (c) a person who holds a paid position of authority or influence sufficient to exert influence over the participants in a sporting event, including, but not limited to, any coach, manager, handler, or athletic trainer, or a person with access to certain types of exclusive information, on any sporting event overseen by the sports governing body of such person based on publicly available information; or (d) a person identified as prohibited from sports wagering by any list provided by a sports governing body to the commission;

(13) Racing license means a license issued for a licensed racetrack enclosure by the commission; and

(14) Sports wagering means the acceptance of wagers on an authorized sporting event by any system of wagering as authorized by the commission. Sports wagering does not include (a) placing a wager on the performance or nonperformance of any individual athlete participating in a single game or match of a collegiate sporting event in which a collegiate team from this state is participating, (b) placing an in-game wager on any game or match of a collegiate sporting event in which a collegiate team from this state is participating, (c) placing a wager on the performance or nonperformance of any

individual athlete under eighteen years of age participating in a professional or international sporting event, or (d) placing a wager on the performance of athletes in an individual sporting event excluded by the commission.

Sec. 13. Section 9-1106, Reissue Revised Statutes of Nebraska, is amended to read:

9-1106 The commission shall:

(1) License and regulate authorized gaming operators for the operation of all games of chance authorized pursuant to the Nebraska Racetrack Gaming Act, including adopting, promulgating, and enforcing rules and regulations governing such authorized gaming operators consistent with the act;

(2) Regulate the operation of games of chance in order to prevent and eliminate corrupt practices and fraudulent behavior, and thereby promote integrity, security, and honest administration in, and accurate accounting of, the operation of games of chance which are subject to the act;

(3) Establish criteria to license applicants for authorized gaming operator licenses and all other types of gaming licenses for other positions and functions incident to the operation of games of chance, including adopting, promulgating, and enforcing rules, regulations, and eligibility standards for such authorized gaming operator licenses, gaming licenses, and positions and functions incident to the operation of games of chance;

(4) Charge fees for applications for licenses and for the issuance of authorized gaming operator licenses and all other types of gaming licenses to successful applicants which shall be payable to the commission;

(5) Charge fees to authorized gaming operators in an amount necessary to offset the cost of oversight and regulatory services to be provided which shall be payable to the commission;

(6) Impose a one-time authorized gaming operator license fee of five million dollars on each authorized gaming operator for each licensed racetrack enclosure payable to the commission. The license fee may be paid over a period of five years with one million dollars due at the time the license is issued;

(7) Grant, deny, revoke, and suspend authorized gaming operator licenses and all other types of gaming licenses based upon reasonable criteria and procedures established by the commission to facilitate the integrity, productivity, and lawful conduct of gaming within the state;

(8) Grant or deny for cause applications for authorized gaming operator licenses of not less than twenty years in duration, subject to an annual review by the commission and receipt by the commission of a fifty-thousand-dollar annual review fee, with no more than one such authorized gaming operator license granted for any licensed racetrack enclosure within the state;

(9) Conduct background investigations of applicants for authorized gaming operator licenses and all other types of gaming licenses;

(10) Adopt and promulgate rules and regulations for the standards of manufacture of gaming equipment;

(11) Inspect the operation of any authorized gaming operator conducting games of chance for the purpose of certifying the revenue thereof and receiving complaints from the public;

(12) Issue subpoenas for the attendance of witnesses or the production of any records, books, memoranda, documents, or other papers or things at or prior to any hearing as is necessary to enable the commission to effectively discharge its duties;

(13) Administer oaths or affirmations as necessary to carry out the act;

(14) Have the authority to impose, subject to judicial review, appropriate administrative fines and penalties for each violation of the act or any rules and regulations adopted and promulgated pursuant to the act in an amount not to exceed:

(a) For any licensed racetrack enclosure with an authorized gaming operator operating games of chance for one year or less, fifty thousand dollars per violation; or

(b) For any licensed racetrack enclosure with an authorized gaming operator operating games of chance for more than one year, three times the highest daily amount of gross receipts derived from wagering on games of chance during the twelve months preceding the violation at such licensed racetrack enclosure gaming facility per violation;

(15) Collect and remit administrative fines and penalties collected under this section to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska;

(16) Adopt and promulgate rules and regulations for any gaming taxes assessed to authorized gaming operators;

(17) Collect and account for any gaming taxes assessed to authorized gaming operators and remit such taxes to the State Treasurer or county treasurer as required by Nebraska law;

(18) Promote treatment of gaming-related behavioral disorders;

(19) Establish procedures for the governance of the commission;

(20) Acquire necessary offices, facilities, counsel, and staff;

(21) Establish procedures for an applicant for a staff position to disclose conflicts of interest as part of the application for employment;

(22) Establish a process to allow a person to be voluntarily excluded from wagering in any game of chance under the act in accordance with section 9-1118;

(23) Remit all license and application fees collected under the Nebraska Racetrack Gaming Act to the State Treasurer for credit to the Racing and Gaming Commission's Racetrack Gaming Fund;

(24) Conduct or cause to be conducted a statewide horseracing market analysis to study the racing market as it currently exists across the state and

within the locations in Nebraska of the racetracks in Adams, Dakota, Douglas, Hall, Lancaster, and Platte counties as of the date of the market analysis. Such market analysis shall be completed as soon as practicable but not later than January 1, 2025, and every five years thereafter and shall be submitted electronically to the General Affairs Committee of the Legislature and to the Governor. Such market analysis shall examine the market potential and make recommendations involving:

(a) The number of live racing days per track, number of races run, and number of horses that should be entered per race;

(b) The number of Nebraska-bred horses available in the market for running races, including foals dropped in the state for the past three years at the time of the market analysis;

(c) The circuit scheduled in the state and if any overlapping dates would be beneficial to the circuit and market as a whole;

(d) The total number of horses available for the total annual schedule, with separate analysis for thoroughbred races and quarterhorse races;

(e) The purse money available per race and per track;

(f) The strength of the potential and ongoing simulcast market;

(g) The staffing patterns and problems that exist at each track, including unfilled positions;

(h) The positive and negative effects, including financial, on each existing racetrack at the time of the market analysis in the event the commission approves a new racetrack application;

(i) The potential to attract new owners and horses from other states;

(j) The market potential for expansion at each licensed racetrack enclosure to the live race meet days and the number of live horseraces required by section 2-1205, and the room for expansion, if any, for additional licensed racetrack enclosures into the market in Nebraska and the locations most suitable for such expansion; and

(k) Any other data and analysis required by the commission;

(25) Conduct or cause to be conducted a statewide casino gaming market analysis study across the state and within each location of a racetrack in Adams, Dakota, Douglas, Hall, Lancaster, and Platte counties. Such market analysis study shall be completed as soon as practicable but not later than January 1, 2025, and every five years thereafter and shall be submitted electronically to the General Affairs Committee of the Legislature and to the Governor. The market analysis study shall include:

(a) A comprehensive assessment of the potential casino gaming market conditions;

(b) An evaluation of the effects on the Nebraska market from competitive casino gaming locations outside of the state;

(c) Information identifying underperforming or underserved markets within Nebraska;

(d) A comprehensive study of potential casino gaming revenue in Nebraska; and

(e) Any other data and analysis required by the commission;

(26) Conduct or cause to be conducted a statewide socioeconomic-impact study of horseracing and casino gaming across the state and at each licensed racetrack enclosure and gaming facility in Adams, Dakota, Douglas, Hall, Lancaster, and Platte counties. Such socioeconomic-impact study shall be completed as soon as practicable but not later than January 1, 2025, and shall be submitted electronically to the General Affairs Committee of the Legislature and to the Governor. The study shall include:

(a) Information on financial and societal impacts of horseracing and casino gaming, including crime and local businesses;

(b) An analysis of problem gambling within the state; and

(c) A comparison of the economy of counties which contain a licensed racetrack enclosure operating games of chance and counties which do not contain such a licensed racetrack enclosure as of the date of the study, which comparison shall include:

(i) The population of such counties;

(ii) Jobs created by each licensed racetrack enclosure operating games of chance in such counties;

(iii) Unemployment rates in such counties;

(iv) Information on family and household income in such counties;

(v) Retail sales in such counties;

(vi) Property values in such counties;

(vii) An analysis of the impact on community services, including police protection expenditures, fire protection expenditures, road, bridge, and sidewalk expenditures, and capital project expenditures in such counties;

(viii) Impact on community health in such counties;

(ix) Divorce rates in such counties;

(x) Information on available education and education levels in such counties;

(xi) Life expectancy in such counties;

(xii) Homelessness in such counties; and

(xiii) Any other data and analysis required by the commission;

(27) Approve or deny an application for any licensed racetrack enclosure which is not in existence or operational as of April 20, 2022, or any licensed racetrack enclosure in existence and operational as of November 1, 2020, that applies to move such licensed racetrack enclosure pursuant to section 2-1205, on the basis of the placement and location of such licensed racetrack enclosure and based on the market as it exists as of the most recent issuance of the

statewide horseracing market analysis, statewide casino gaming market analysis, and statewide socioeconomic-impact studies conducted by the commission pursuant to this section. The commission shall deny a licensed racetrack enclosure or gaming operator license application if it finds that approval of such application in such placement and location would be detrimental to the racing or gaming market that exists across the state based on the most recent statewide horseracing market analysis, statewide casino gaming market analysis, and statewide socioeconomic-impact studies; ~~and~~

(28) Do all things necessary and proper to carry out its powers and duties under the Nebraska Racetrack Gaming Act, including the adoption and promulgation of rules and regulations and such other actions as permitted by the Administrative Procedure Act; -

(29) Recommend to the Governor and to the General Affairs Committee of the Legislature amendments to all laws administered by the commission; and

(30) As appropriate and as recommended by the executive director of the commission, delegate to an adjudication subcommittee of the commission those powers and duties of the commission as necessary to carry out and effectuate the purposes of the Nebraska Racetrack Gaming Act and investigate and respond to violations of the Nebraska Racetrack Gaming Act. The adjudication subcommittee staff shall be appointed by the executive director. No person may be appointed to the adjudication subcommittee if such person is involved in the investigation of any violation being heard or investigated by the subcommittee. Any action of the adjudication subcommittee may be appealed to the commission or may be reviewed by the commission on its own initiative. The adjudication subcommittee may impose a fine, consistent with the Nebraska Racetrack Gaming Act, not to exceed fifteen thousand dollars, upon a finding that the act or any rule or regulation adopted and promulgated under the act has been violated. The commission shall remit any fines collected under this subdivision to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

Sec. 14. Section 9-1110, Reissue Revised Statutes of Nebraska, is amended to read:

9-1110 (1) The commission may permit an authorized gaming operator to conduct sports wagering. Any sports wager shall be placed in person or at a wagering kiosk in the designated sports wagering area at the licensed racetrack enclosure. A parimutuel wager in accordance with sections 2-1201 to 2-1218 may be placed in the designated sports wagering area at the licensed racetrack enclosure. An individual employed and authorized to accept a sports wager may also accept a parimutuel wager.

(2) A floor plan identifying the designated sports wagering area, including the location of any wagering kiosks, shall be filed with the commission for review and approval. Modification to a previously approved plan must be submitted for approval at least ten days prior to implementation. The area shall not be accessible to persons under twenty-one years of age and shall have a sign posted to restrict access. Exceptions to this subsection must be approved in writing by the commission.

(3) The authorized gaming operator shall submit controls for approval by the commission, that include the following for operating the designated sports wagering area:

(a) Specific procedures and technology partners to fulfill the requirements set forth by the commission;

(b) Other specific controls as designated by the commission;

(c) A process to easily and prominently impose limitations or notification for wagering parameters, including, but not limited to, deposits and wagers; and

(d) An easy and obvious method for a player to make a complaint and to enable the player to notify the commission if such complaint has not been or cannot be addressed by the sports wagering operator.

(4) The commission shall develop policies and procedures to ensure a prohibited participant is unable to place a sports wager or parimutuel wager.

Sec. 15. Section 81-3717, Reissue Revised Statutes of Nebraska, is amended to read:

81-3717 (1) The governing body of the county shall after a public hearing adopt a resolution establishing a County Visitors Promotion Fund and a visitors committee which shall serve as an advisory committee to the governing body in administering the proceeds from the taxes provided to the county by the Nebraska Visitors Development Act. The governing body of a county may also after a public hearing adopt a resolution establishing a County Visitors Improvement Fund. The proceeds of the County Visitors Promotion Fund shall be used generally to promote, encourage, and attract visitors to come to the county and use the travel and tourism facilities within the county. The proceeds of the County Visitors Improvement Fund shall be used to improve the visitor attractions and facilities in the county, except that no proceeds shall be used to improve a facility in which parimutuel wagering is conducted unless such facility also serves as the site of a state fair or district or county agricultural society fair. If the visitors committee determines that the visitor attractions in the county are adequate and do not require improvement, the governing body of the county, with the advice of the committee, may only use the County Visitors Improvement Fund to promote, encourage, and attract visitors to the county to use the county's travel and tourism facilities or, with the advice of the visitors committee, make grants to organizations to promote, encourage, and attract visitors to the county to use the county's travel and tourism facilities, ~~except that no proceeds shall be granted to an~~

~~organization to promote parimutuel wagering.~~ The committee shall consist of five or seven members appointed by the governing body of the county. If the committee has five members, at least one but no more than two members of the committee shall be in the hotel industry. If the committee has seven members, at least two but no more than three members of the committee shall be in the hotel industry.

(2) The members of the committee shall serve without compensation, except for reimbursement for necessary expenses. Committee members shall serve for terms of four years, except that at least half of those appointed shall be appointed for initial terms of two years. Vacancies shall be filled in the same manner as the initial appointments. The committee shall elect a chairperson and vice-chairperson from among its members to serve for terms of two years.

Sec. 16. Section 81-3720, Reissue Revised Statutes of Nebraska, is amended to read:

81-3720 (1)(a) The County Visitors Improvement Fund shall be administered by the governing body of the county with the advice of the visitors committee created pursuant to section 81-3717. The fund shall be used to make grants for expanding and improving facilities at any existing visitor attraction, acquiring or expanding exhibits for existing visitor attractions, constructing visitor attractions, or planning or developing such expansions, improvements, or construction.

(b) Grants shall be available for any visitor attraction in the county owned by the public or any nonprofit organization, the primary purpose of which is to operate the visitor attraction, ~~except that grants shall not be available for any visitor attraction where parimutuel wagering is conducted.~~

(c) Grants may be made for a specified annual amount not to exceed the proceeds derived from a sales tax rate of one percent imposed by a county for a County Visitors Improvement Fund for a term of years not to exceed twenty years and may be pledged by the recipient to secure bonds issued to finance expansion, improvement, or construction of a visitor attraction. Any grant made for a term of years shall be funded each year in accordance with any agreement contained in the grant contract.

(d) No bonds issued by a grant recipient which pledges grant funds shall constitute a debt, liability, or general obligation of the county levying the tax or a pledge of the faith and credit of the county levying the tax but shall be payable solely from grant funds. Each bond issued by any grant recipient which pledges grant funds shall contain on the face thereof a statement that neither the faith and credit nor the taxing power of the county levying the tax is pledged to the payment of the principal of or the interest on such bond.

(2) For purposes of this section and section 81-3717, visitor attraction means a defined location open to the public, which location is of educational, cultural, historical, artistic, or recreational significance or provides entertainment or in which are exhibits, displays, or performances of educational, cultural, historic, artistic, or entertainment value.

Sec. 17. Original sections 2-1205, 9-204, 9-204.04, 9-601, 9-603, 9-606, 9-607, 9-646.01, 9-651, 9-1103, 9-1106, 9-1110, 81-3717, and 81-3720, Reissue Revised Statutes of Nebraska, are repealed.